# GOVERNMENT OF INDIA
# AGRICULTURE
# LOK SABHA

STARRED QUESTION NO:542
ANSWERED ON:05.05.2008
MINIMUM SUPPORT PRICE OF AGRICULTURAL PRODUCES
Thomas Shri P.C.

**Will the Minister of AGRICULTURE be pleased to state:**

(a) whether some of the State Governments have urged the Union Government to link the Minimum Support Price (MSP) of agricultural produces with the consumer price index in the interest of the farming community;

(b) if so, the details thereof;

(c) whether the Union Government has since examined the views of the State Governments in this regard; and

(d) if so, the details thereof and further steps taken by the Government to ensure that farmers get remunerative prices for their produce?

## Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 542 DUE FOR REPLY ON 5TH MAY, 2008.

(a) to (d): In the comments/views furnished by some of the states on the recommendations of the Commission for Agricultural Costs and Prices (CACP) contained in the Reports on Price Policy for the Kharif and Rabi 2007-08 season, no suggestion was given by them for linking the Minimum Support Prices (MSP) of agricultural produce with the consumer price index. However, with a view to ensuring that the farmers get remunerative prices for their produce, the CACP recommends Minimum Support Prices (MSPs) of selected crops, interalia, keeping in view the cost of production, changes in input prices, terms of trade between agriculture and non-agriculture sectors. Accordingly, the Government decides on the MSPs for various agricultural commodities taking into account the recommendations of CACP, the views of the State Governments and concerned Central Ministries as well as other relevant factors. Further, Government intervenes through public and cooperative agencies by undertaking procurement operations with the objective that the market prices are not allowed to fall below the MSPs.